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Submitted via email: regs.comments@federalreserve.gov

February 10, 2014

Robert deV. Frierson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue NW
Washington, DC 20551

Re: Federal Reserve Policy on Payment System Risk; Procedures for Measuring Daylight Overdrafts;
Docket No. OP-1472

Dear Mr. Frierson:

The Georgia Credit Union League (GCUL) appreciates the opportunity to comment on the Federal Reserve Board's proposed changes to its Payment System Risk Policy Statement. As a matter of background, GCUL is the state trade association and one member of the network of state leagues that make up the Credit Union National Association (CUNA). GCUL serves approximately 138 Georgia credit unions that have more than 1.9 million members. This letter reflects the views of our Regulatory Response Committee, which has been appointed by the GCUL Board to provide input into proposed regulations such as this.

While GCUL appreciates that the Federal Reserve is looking to improve the payments system, we do have some concerns that credit unions could be negatively impacted by the proposed changes, especially regarding the earlier posting times for automated clearing house (ACH) debits and commercial checks.

Under the proposed changes, the posting time for ACH debits and commercial checks would be earlier. Our concern is that many smaller financial institutions, including credit unions, could incur daylight overdrafts which would result in increased fees with the Federal Reserve. To minimize the risk of these fees, financial institutions would have to pledge additional collateral, arrange for earlier funding, or hold higher balances in their Federal Reserve accounts.

If this rule is finalized, we ask the Fed to minimize the impact this rule could have on credit unions and other smaller institutions. We would ask the Fed to provide additional information and resources for all potentially-affected financial institutions, furthermore, we would ask the Fed for an effective date of six months to a year to allow sufficient time for financial institutions to make processing, account management, funding and collateral, and other necessary changes to implement the rule.

Lastly, we appreciate the opportunity to comment on the Fed's proposal concerning principles that would apply to same-day ACH Processing from the Federal Reserve or NACHA. As not all financial institutions are currently able to receive and settle same-day ACH transactions network-wide, we believe this area needs continued study. We would ask that the Federal Reserve seek further input, given the significant change that same-day ACH Processing would require.

GCUL appreciates the opportunity to present comments on behalf of Georgia's credit unions in regards to Payment System Improvements. Thank you for your consideration. If you have questions about our comments, please contact Selina Gambrell or Cindy Connelly at (770) 476-9625.

Respectfully submitted,

A handwritten signature in cursive script that reads "Selina M. Gambrell". The ink is dark and the signature is fluid, with a large initial 'S'.

Selina M. Gambrell
Compliance Specialist